

CORY V. McCRAY
Legislative District 45
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DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Vice Chair, Capital Budget

Pensions

Chair, Public Safety, Transportation,
and Environment



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 9, 2022

Testimony in Support of Senate Bill 726

Transportation – Highway User Revenues – Revenue and Distribution

Dear Chair Guzzone and Members of the Budget and Taxation Committee,

I write to urge you to **support** Senate Bill 726. It is crucially important that local governments receive the requisite funding to properly address issues like roads, bridges, and transportation, which impact highway user revenues. This funding should be restored, in effect, through the implementation of Senate Bill 726.

Under Senate Bill 726, the funds from the Gasoline and Motor Vehicle Revenue Account (GMVRA), which are provided annually to local governments by the Maryland Department of Transportation (MDOT) through capital transportation grants, will increase. In 2018, the General Assembly authorized a temporary uptick in funding for local roads and bridges; however, this will expire soon, which necessitates action. If Senate Bill 726 is successful, beginning in Fiscal Year 2025, the level of funding made available prior to previous funding cuts will be restored.

Under the current law, funding for local roads will plummet by nearly \$80 million in Fiscal Year 2025. This measure supplants that result without increasing taxes and fees, but by adjusting the current formula and distribution of existing transportation revenues. It is critical that we fund roads through gas tax, and not local property revenue. It is imperative that we properly fund Maryland's roads, so that we do not detrimentally rely on capital that should be reserved for other means—like bettering our public schools, public safety, and public health.

If enacted, Senate Bill 726 would take effect July 1, 2022, and will require that certain practices be adopted in accordance with the law.

I respectfully request a favorable report on Senate Bill 726. Thank you.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Cory V. McCray".

Cory V. McCray
State Senator, 45th District